GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:1818
ANSWERED ON:26.07.2002
REVISION OF TEXTILE POLICY
LAKSHMAN CHANDRA SETH

Will the Minister of TEXTILES be pleased to state:

(a) whether the opening up of garment sector to foreign investors has affected indigenous textiles industry;

(b) if so, whether the Government propose to revise the Textile Policy keeping in view the protection of interest of domestic industry;

(c) if so, the details thereof; and

(d) if not, the other steps taken to protect the indigenous textiles industry?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES SHRI BASANAGOUDA R. PATIL (YATNAL)

(a) No, Sir.

(b) to (d) Does not arise. However, the Ministry has taken a number of steps to improve the competitiveness of the Indian textile industry. Some of these are :-

i) The Government has announced a Comprehensive Policy Package for SSIs on 30th August, 2000 to protect the interest of the Small Scale Sector. The package includes enhanced fiscal and credit support, better infrastructural and marketing facilities and incentives for technology upgradation. The major objective of the policy package is to strengthen the SSI sector and enhance its competitiveness both domestically and globally.
ii) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernization and upgradation of this sector so that it can become more competitive in international trade.
iii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures.
iv) With a view to encouraging backward integration, the custom duty on shuttleless looms has been brought to 5%. A programme has also been announced to induct 50,000 shuttleless looms and to modernise 2.5 lakh powerlooms in the decentralised sector by 2004.
v) National Institute for Fashion Technology (NIFT), its six branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.
vi) To prepare and sensitise the textile industry (including knitwear and shawls) to conform to the ecological requirements of improving countries by providing facilities by way of eco-testing laboratories.